

**Saint Paul Planning Commission
City Hall Conference Center
15 Kellogg Boulevard West**

Minutes June 24, 2011

A meeting of the Planning Commission of the City of Saint Paul was held Friday, June 10, 2011, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners Present: Mmes. Merrigan, Perrus, Reveal, Thao, Wencil, Young; and Messrs. Connolly, Fernandez, Kramer, Nelson, Ochs, Oliver, Spaulding, Ward, and Wickiser.

Commissioners Absent: Mmes. *Halverson, *Porter, *Wang, and Messrs. *Commers, *Gelgelu, and *Schertler.

*Excused

Also Present: Donna Drummond, Planning Director; Emily Goodman, Public Works; Ellen Stewart &, Don Varney, Parks & Recreation; Joe Musolf, Patricia James, Allan Torstenson, Kate Reilly, Luis Pereira, Sarah Zorn, Marty McCarthy, and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes June 10, 2011.

MOTION: *Commissioner Thao moved approval of the minutes of June 10, 2011. Commissioner Ward seconded the motion. The motion carried unanimously on a voice vote.*

II. Chair's Announcements

Commissioner Wencil, who is the Commission's first vice chair, chaired the meeting. She had no announcements.

III. Planning Director's Announcements

Donna Drummond said that a Central Corridor small business forgivable loan program was announced last week. This is a program targeted to small retail businesses along Central Corridor that have less than two million dollars in annual gross sales on University Avenue or within a block of University and are affected by construction. These businesses can apply for a twenty thousand dollar forgivable loan. Over the next month there are 8 workshops scheduled so that business owners can get more information about this program.

The Mayor sent out an announcement about the potential impact of a state government shut down and the possible delay of the City's expected \$31 million local government aid payment, which the City is expecting on July 20th. To put this in context, police and fire protection services for the City constitute 58% of general fund spending and LGA is 28% of the general fund.

IV. PUBLIC HEARING: Smith Avenue Revitalization Area Plan – Item from the Neighborhood Planning Committee. (*Kate Reilly, 651/266-6618*)

Chair Wencl announced that the Saint Paul Planning Commission was holding a public hearing on the Smith Avenue Revitalization Area Plan. Notice of the public hearing was published in the Legal Ledger on May 23, 2011, and mailed to the citywide Early Notification System list of recipients and other interested parties.

Kate Reilly, PED staff person gave a brief presentation about the Smith Avenue Revitalization Area Plan. The old Smith Avenue plan was to be decertified in 2008. Upon notification of this the community organizations REDA, NeDA and WSCO asked the City to update the plan. The City of Saint Paul, REDA, NeDA, WSCO and the City of West Saint Paul decided to collaborate on a new plan. The planning effort received financial support from the City of Saint Paul, City of West Saint Paul, and Dakota County. A steering committee and larger community task force were formed. The task force was selected by application making sure there was a good mix of residents and business owners on both sides of the city line. The plan focuses on Smith Avenue between the High Bridge and Dodd Road. It identifies goals to be accomplished over the next 10 to 15 years and it will be adopted as an amendment to each city's Comprehensive Plan. The City of West Saint Paul has already approved the plan and forwarded it on to the Metropolitan Council for its approval. Ms. Reilly showed a map of the study area. She talked about the seven themes that the plan covers, which includes community character, commercial vitality, land use, transportation, parks and recreation, housing and historic preservation. There is also an implementation section with action steps that is an important part of the plan.

Highlights of the plan include: starting a community festival that is shared between the two cities; creating a branding guide and implementation plan; supporting and retaining the current business mix; establishing a new business association or strengthening the existing business association; and maintaining current patterns of development on Smith Avenue. The task force discussed the need for a different pattern of development, including possibly more density along Smith Avenue. The neighborhood and business owners agreed that they liked the mix of residential and commercial that they have along the avenue. Therefore there is no zoning study that accompanies this plan. Other recommendations include establishing traffic calming measures, increasing use of and access to parks, maintaining and improving residential properties, and most importantly ensuring that the view of the State Capitol is preserved. Implementation will be carried out by the two cities, REDA, NeDA, and WSCO as identified in the implementation section of the plan. It will take place as funding permits.

WSCO recommended the plan to the Saint Paul Planning Commission on March 14, 2011. The West Saint Paul City Council approved the plan May 23, 2011. Today the Planning Commission is holding the public hearing. It is anticipated the Planning Commission will recommend the plan to the City Council in July, and City Council will approve the plan pending Metropolitan Councils approval in August.

Chair Wencl read the rules of procedure for the public hearing.

The following person spoke.

1. Ms. Darlene Lewis, West Saint Paul City Council member, Co-Chair of the Smith Avenue Task Force and part of the Steering Committee. She said that the plan has been a long time in the making, starting over 2-years ago to bring residents and the business community together. Once they received funding they were able to develop the plan. Ms. Lewis has a strong interest in this because she lives on Smith Avenue in West Saint Paul not far from Dodd Road which is the southern boundary of the plan area. She has lived her whole life on either side of the river, growing up on the other side of the river in the west end area. Ms. Lewis has seen the changes over time and she really respects the history of the avenue and she sees where they can be making some good decisions on moving forward with this. She thanked the City of Saint Paul, the planning staff, especially Kate Reilly, and also REDA, NeDA, and WSCO for their work on this.

MOTION: *Commissioner Young moved to close the public hearing, leave the record open for written testimony until 4:30 p.m. on Monday, June 27, 2011, and to refer the matter back to the Neighborhood Planning Committee for review and recommendation. Commissioner Oliver seconded the motion. The motion carried unanimously on a voice vote.*

V. Zoning Committee

SITE PLAN REVIEW – List of current applications. *(Tom Beach, 651/266-9086)*

One item came before the staff Site Plan Review Committee on Tuesday, June 21, 2011. St. Paul Federal Credit Union located at 1664 University Avenue West, add drive thru window and lane, reorganize parking, and rebuild lot.

Two items will come before the staff Site Plan Review Committee on Tuesday, June 28, 2011. Celtic Junction Parking Lot located at 836 Prior Avenue North, addition and remodeling; United Child Care located at 519 University Avenue West, parking lot.

OLD BUSINESS

#11-129-965 Capitol Lien & Title – Determination of similar use for vertical wind turbines in the B3 general business district. 1010 Dale Street North, between Lawson and Hatch. *(Kate Reilly, 651/266-6618)*

MOTION: *Commissioner Kramer moved the Zoning Committee's recommendation to approve the determination of similar use for four roof-mounted vertical wind turbines subject to additional conditions. The motion carried unanimously on a voice vote.*

NEW BUSINESS

#11-149-363 Nuchami Hurshuajer – Re-establishment of nonconforming use as a duplex. 393 Geranium Avenue East, NW corner at Arkwright. *(Sarah Zorn, 651/266-6570)*

MOTION: *Commissioner Kramer moved the Zoning Committee's recommendation to approve the re-establishment of legal nonconforming use subject to additional conditions. The motion carried unanimously on a voice vote.*

#11-148-456 City House – Re-establishment of nonconforming use as a reception hall in the FW Floodway District. 258 Mill Street south side of intersection of Walnut and Mill Street. (*Josh Williams, 651/266-6659*)

Commissioner Kramer reported that the Zoning Committee laid this case over to the July 14, 2011 meeting.

#11-148-409 City House – Conditional Use Permit for a reception hall. 258 Mill Street south side of intersection of Walnut and Mill Street. (*Josh Williams, 651/266-6659*)

Commissioner Kramer reported that the Zoning Committee laid this case over to the July 14, 2011 meeting.

Commissioner Kramer announced the items on the agenda for the next Zoning Committee meeting on Thursday, June 30, 2011.

VI. Comprehensive Planning Committee

Commissioner Merrigan had no report.

VII. Neighborhood Planning Committee

Commissioner Wencil had no report.

VIII. Transportation Committee

Regional Solicitation of Federal Transportation Projects - Adopt resolution recommending approval to the City Council. (*Emily Goodman, 651/266-6059*)

Commissioner Spaulding reported that the Transportation Committee reviewed over a dozen projects and the City is applying to the Metropolitan Council for federal transportation dollars. A summary of those projects is labeled "Attachment A." As a new committee, this is the first time that the Transportation Committee has been involved in this process, so they have worked with staff to determine an appropriate process for review. Most of the projects in "Attachment A" include a notation for the accommodation of the various modes of transportation. There were three additional projects added to the list since the Committee has reviewed this.

Commissioner Merrigan asked what is meant by the initials STP. Commissioner Spaulding said Surface Transportation Program.

Commissioner Connolly asked whether Raymond Avenue work would close the street any time during the state fair or during light rail construction.

Donna Drummond, Planning Director, said that these are funds that are available in 2015 and 2016, so it wouldn't coincide with light rail construction. Also Ms. Drummond asked how many projects the City might expect to have funded off of this list.

Emily Goodman, Public Works staff, said that they do their best to keep as much of a given roadway open and shift around traffic as much as possible and also be sensitive to events going

on. For example, the work being done on Snelling would be scheduled around the state fair. In terms of how many projects will be funded, the City usually gets a handful of projects funded, though there is a range. Some of the projects they have that are in the same category will be competing against each other, but that is not a bad thing because they rank the projects and draw a line above which projects will be funded. In years past the City has sometimes had projects just under the funding line. In short, the number of funded projects remains to be seen and there are other agencies competing for these funds.

Commissioner Ochs said in regards to the Great River Park-Lilydale Master Plan Amendment, is it both a roadway and a bicycle trail and is the design of the roadway to include bicycle lanes?

Ellen Stewart, Parks & Recreation staff, said that the roadway will have bike lanes on it, but this is actually a request for money to fund the off-road bike trail and pedestrian walkway.

Commissioner Ward said some of these road improvements are for state rights-of-way. Has there been any coordination with the state as far as turn lanes, access, roadway cuts and things of that sort?

Ms. Goodman said that they have been working to coordinate with other agencies. There are negotiations of who submits for the roads that are literally over lapping and not just crossing. So they are coordinating and talking.

Commissioner Oliver asked why the off-road trails are so pricey.

Don Varney, Parks & Recreation said that the federally funded projects cost a little more, especially in the case of trails, because they have to use engineering standards and it essentially becomes a road project, so all of the curves and all of the vertical and horizontal curves have to be engineered. Also they always build the trails so that vehicles can drive on them for maintenance purposes.

Commissioner Young said regarding the Great River Park connection from Harriet Island to South Saint Paul, is that the proposal that's going along the top of the levy or is it about going around the airport? How is that connection being made?

Mr. Varney said that it is about both of these things. The proposed route starts where the trail connection is at Harriet Island and then goes along Plato Blvd and crosses over to the south side of Plato and then gets on top of a levy as it goes along the airport there. Because there is an existing flood levy closure with a railroad crossing underneath, rather than try to breach that impasse, they decided to come down from the levy and use the right-of-way. The Metropolitan Airports Commission has given them a verbal okay that they are supportive of the trail going through there. So coming down the levy they will be on the shoulder of the road that goes along the airport.

Commissioner Young said that in the West Side the conversation has been how do we connect the people who are to the east of Robert Street to the river. Is there a way from Barge Channel Road or from South Port that there would be that connection to Cesar Chavez or to Concorde or would someone have to go all the way down to Plato and then come over?

Mr. Varney said he would have to take a closer look at that. One of the criteria, when making

these applications is whether there has been thought about how it connects to the neighborhood and how valid is the justification for putting this in as a transportation mode rather than as a recreation mode. In addressing that they are going to look at where those connections can be made. Initially the strongest connection is at Plato and then at South Saint Paul through their landing park.

Commissioner Connolly said regarding Lilydale, what is the status of the dog park?

Ms. Stewart explained that they are looking at the phasing currently and the funding they have is broken up into a few different grants and funding mechanisms. The funding request is to get some of the main infrastructure and roadway in and then the shelter. It has not been determined if they have money for the dog park. It is dependent on when they do the shore line restoration in that area or if they can do it independent of that. It is being considered.

Commissioner Ward asked if there was a budget report or something that is published to let the citizens who are complaining, calling and sending letters know why these improvements cost so much and why tax dollars are being spent on this?

Ms. Stewart said that they do have a budget that is published, but she is not sure how aware the general public is of cost and of how things are decided, especially in terms of construction sequencing and the things that need to happen first. The information is out there and if people ask they can supply it to them. However, Ms. Stewart is not sure that just supplying the information is necessarily enough, there is more of a story to it, and more of an understanding needed. The City has hired professionals to make decisions with the input of what people want from the City. The Parks staff make decisions based on the funding that is available and what's reasonable and the type of sequencing that needs to happen.

Commissioner Ochs commented that there is concern about money and being transparent to the citizens of Saint Paul. And in all cases parks are an important piece of the infrastructure. Creating these trail systems and parks gives citizens an avenue, a resource that they can capitalize on for their own personal growth. And in these difficult economic times there needs to be an alternative outlet for those who can't afford to take vacations or things like that. There needs to be local resources for people to fall back on.

MOTION: Commissioner Spaulding moved the Transportation Committee's recommendation to approve the resolution with the additional projects and recommend them to the City Council. The motion carried unanimously on a voice vote.

Commissioner Spaulding announced that the next Transportation Committee meeting on Monday, June 27, 2011 has been canceled.

IX. Saint Paul's Neighborhood Stabilization Program – Informational presentation on current status by Joe Musolf and Allen Carlson, PED staff. (*Joe Musolf, 651/266-6594, and Allen Carlson, 651/266-6616*)

Joe Musolf, PED staff gave an overview of the Neighborhood Stabilization Program (NSP). Mr. Musolf works exclusively with the Neighborhood Stabilization Program, along with about 8 other PED staff members. In August 2008 Congress passed the Housing Economic Recovery Act, often also referred to as the "housing stimulus package". This law included a \$4 billion line item

directing HUD to provide emergency assistance for redevelopment of abandoned and foreclosed homes and residential properties. Mr. Musolf reminded the Commissioners that this is not a foreclosure prevention program. Rather, these funds are to help municipalities such as Saint Paul address the physical aftereffects of foreclosures in neighborhoods. Eligible uses of these funds are to acquire properties for rehabilitation or to acquire, demolish and land bank those vacated, razed lots and use the funds to assist in the redevelopment of those properties in the future. The outcomes with NSP are residential. It can be homeownership or rental, single-family or multi-family. Some of the dollars must be spent to produce housing for households at or below 50% Area Median Income (AMI), but most are targeted for households at or below 120% of the AMI.

In February 2009 Congress passed the American Recovery and Reinvestment Act, also known as the "stimulus package". This contained an additional \$2 billion for NSP. This second NSP has an added condition from the federal government that states along with using these funds to implement this housing program, these funds should be creating and retaining jobs. In July 2010 Congress directed a third allocation to NSP, this time \$1 billion, as part of the Wall Street Reform and Consumer Protection Act also known as the "Dodd Frank Act". Across all the federal NSP programs, Saint Paul has received a little over \$31 million of NSP funds which have five different reporting requirements, and five different minor rule differences between them. They have five different time frames that they are working in and they also have three different eligible geographies. Mr. Musolf showed a series of maps that illustrate where they are working with this \$31 million and in each circumstance when the funds were offered to the City of Saint Paul, either through formula or through an opportunity to compete in a national competitive grant process, they had to define geography to invest those funds. The HRA has about 200 properties in the program, and the Neighborhood Stabilization Program will entail about 10 years of activity by the City. The City is under tremendous schedule challenges by HUD to get funds out the door quickly up front and then do more work through program income that they expect to receive from property sales over the 10 years in diminishing quantities of returns. They anticipate that throughout the whole NSP work in Saint Paul they will touch between 340-440 properties. Mr. Musolf stressed that this is by no means a silver bullet to address all the issues that neighborhoods are challenged with due to foreclosure.

They are concentrating their activity on rehabs first and they expect to be engaged in new construction at a later date. Approximately 75% of the NSP activity will be rehab and the remaining will be in new construction. Most of the outcomes will be ownership and that will be done almost exclusively in single-family homes. Some of the outcomes will be rental and that will be accomplished almost exclusively in multi-family.

Mr. Musolf pointed out that for these 340-440 homes they are carrying out the work primarily in two manners. A lot of the rehabs are with the HRA as the developer. The HRA is financing the acquisition and the rehabilitation work and will ultimately be the seller of the home to end homeowners. The NSP rental activity has been in partnership with private for- and non-profit developers. They are doing some work with Habitat for Humanity and they are now starting some partnerships with private developers for homeownership.

Commissioner Thao asked about the outcomes around job creation as a result of NSP1 and NSP2 to date and whether any community members were involved.

Mr. Musolf did not have the data with him, but he does have to report on it quarterly, specifically associated with the NSP2 grant. He has been able to capture some really important data about the

construction jobs. But there is another aspect of it; every one of these homes is touched by an appraiser, a realtor, by other marketing people and certainly by City staff. There is an impressive list of job creation and retention associated with it. Also it is their preference to keep all of this work as local as possible. They have been successful in encouraging their general contractors to purchase through Saint Paul suppliers. NSP3 has a new provision in it that mandates some effort to assure "vicinity hiring" opportunities.

Commissioner Reveal asked whether the division between the less than 50% AMI and the less than 120% AMI is within the City's discretion or whether there are federal guidelines requiring a certain minimum or maximum percentage.

Mr. Musolf said that is set by HUD. They state that at least 25% of all the NSP funds have to be spent to produce housing for households at or below 50% AMI. So the City has targeted in excess of that, knowing that they have to comply with that. About 30% of program dollars are being spent for that income bracket.

Commissioner Fernandez asked Mr. Musolf the approximate percentage where the HRA is acting as the developer, or is there a projection of what this will be for the total number of properties that will be dealt with through the program. Is there a guideline on that?

Mr. Musolf said some of this is that they are rolling as they go and they are acting under the direction of the HRA Board. Everything they do is cleared through the board. The HRA is not intending to be engaged in any sort of rental ownership so that portion of the program that has rental outcomes will be exclusively handled in partnerships with private developers. Work being done for home ownership has been almost exclusively to date with HRA as developer. They are trying to expand the volume of work through this program, but he does not have number.

Commissioner Ward thanked Mr. Musolf and staff for all their hard work and to continue doing a good job.

X. Communications Committee

Commissioner Thao had no announcements.

XI. Task Force Reports

None.

XII. Old Business

None.

XIII. New Business

None.

XIV. Adjournment

Meeting adjourned at 9:55 a.m.

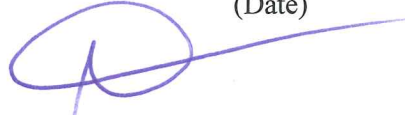
Recorded and prepared by
Sonja Butler, Planning Commission Secretary
Planning and Economic Development Department,
City of Saint Paul

Respectfully submitted,



Donna Drummond
Planning Director

Approved July 8, 2011
(Date)



Anthony Fernandez
Secretary of the Planning Commission

Butler\planning commission\minutes\June 24, 2011